



CRAIGHOLME SCHOOL
(Limited by Guarantee and not having a share capital)

Registered charity number: SC014860
Registered company number: SC022095

Directors' report and financial statements
30 June 2012

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CRAIGHOLME SCHOOL
FINANCIAL STATEMENTS
Year ended 30 June 2012

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CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Directors' Report

Craigholme School

Craigholme School ('the School') was founded in 1894. The School is a registered charity number SC014860, company number SC022095 whose members' liability is limited by guarantee to £1 each. The registered office and principal place of business is 72 St Andrew's Drive, Glasgow.

The School is situated in the south side of Glasgow within easy reach from all parts of the city and the Greater Glasgow area due to the good road and rail connections. Craigholme is a leading provider of modern and dynamic education with the very best of traditional values. The school provides co-educational nursery facilities for 3-5 year olds and an excellent all-round education for girls aged 5-18 years.

Operational Performance of the School

The School's operational performance throughout the year is mapped out in the School's Improvement Plan and recorded in its Standards and Quality Report for Session 2011-2012.

Examination Results

With 99% passes at Standard Grade with 95.2% at credit, the S4 results in August 2011 were outstanding. The Higher pass rate in 2011 of 92.1% is significantly above the national average. In addition, the S6 Advanced Higher presentations in 2011 delivered an 81.3% pass rate.

Exam results in August 2012 were even better than 2011. S4 results at Standard Grade had 100% pass rate with 94.8% at Credit of which 70.6% were at Grade 1. The S4 Intermediate 2 pass rate was 95.5% with 71.6% at A. It should be noted that there are more presentations at Intermediate 2 as more subjects have moved to this from Standard Grade. S5 Higher results had a 95% pass rate with 52.8% at "A" Grade which is well above the national average. S6 Advanced Higher results had a 95% pass rate with 41.5% at "A" Grade.

Objects, Aims, Objectives & Principal Activities

The School's principal activity continues to be the education of girls aged 5 to 18. There is also a co-educational nursery for ages 3 to 5. During the year, 401 pupils attended the school.

Craigholme is committed to single-sex education. We will continue to offer education and resources of the highest quality which realises the potential of all our girls. Our school is a vibrant community of pupils, former pupils, parents, staff, friends and governors. We encourage and develop confidence and self esteem by creating a learning environment in which each pupil is known and valued. To achieve this a high teacher-to-pupil ratio is an essential requirement.

It is the policy of the school to:

- Provide a full range of education courses which will maximise the academic achievement of all pupils;
- Develop confident, independent and articulate pupils who have a sense of social and moral responsibility and respect for others;
- Complement the academic goals with the provision of wide-ranging sporting, cultural and social activities;
- Foster good relationships between teachers, pupils, parents and the wider community in achieving these goals;
- Support deserving pupils through provision of bursaries. Bursary remission is assessed according to parents' ability to pay full fees and the availability of bursary funds to the school.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Directors' Report (cont'd)

Curriculum

The School continues to promote a strong educational development from age 3 and above. The curriculum and facilities are designed to extend and enrich the whole educational experience. We aim to achieve the best for every pupil in our care, giving all pupils the opportunity to fulfil their personal and career ambitions. Examples of the School's offering this year include:

- Co-curricular activities included a Chinese Cultural Day for S2, a Kenya Day for S1 and a whole school Health and Well-being Day.
- Master Classes continued for J4 – S1. Choices included Badminton, Bee Keeping, BBC News School Report, Card Making, Chess, Cricket, Felt Making, Gardening, Latin for Beginners, Majorette Dancing, Mandarin for Beginners, Photography, Play Writing, Poetry Appreciation, Presenting with Pzazz, Spanish for Beginners, Talk It - Solve It all using teaching and support staff along with externally sourced experts, parents and community links.
- Mini Master Classes were introduced for J1 – 3.
- Transition at J7 was further developed and re-located to the Senior School building, allowing for greater ease of transition to the Senior timetable.
- Pupils were given the opportunity to study film as a text in English.
- The Scottish Baccalaureates in science and modern languages continued to be included in the S6 curriculum along with the opportunity to take the interdisciplinary project as a stand-alone unit. Craigholme was one of only four independent schools to offer the Scottish Baccalaureate.
- Young Applicants in Schools Scheme (YASS) courses were added to the S6 curriculum through working in partnership with the Open University.
- 34 trips took place all linked to the curriculum comprising of 28 day/evening trips involving 413 pupils and 6 Residential Trips involving in total 83 pupils.
- J7 pupils with an aptitude for creative writing took part in an Able Writers' master class with published author, Wes McGee.
- S1 pupils took part in the Brainology programme through Stanford University as part of their Critical Thinking course.
- An academic mentoring scheme was introduced for S5 pupils and delivered through PSHE.

Sports Complex

The School continues to increase our community participation with extensive lets within our sports complex, promoting participation in sports and healthy lifestyles. Highlights include:

- Continued employment of a Community Sports Development Coordinator and Coach, Amanda Currie.
- Sports Camps continued development in-house for the February, Spring and part of the summer holidays, using our Community Sports Coach.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Directors' Report (cont'd)

Sports Complex (cont'd)

- SJB sports camps were used as partner organisation for Sports Camps during longer holiday periods in addition to the summer.
- Community lets and programmed activities have been further developed to include the Craigholme, geographical, demographic and sporting communities. Sports and activities lets include: archery, hockey, lacrosse, zumba, dance, netball, yoga, badminton, powerchair football, taekwondo and rugby.
- Continued delivery of a Family Fun Day established in the Craigholme calendar.

Financial Review & Results of the Year

With the prevailing difficult economic conditions the choice of independent education is a difficult one for parents to make. In common with many independent schools, in the current climate, the School roll has reduced. Recruitment however remains positive as we continue to attract pupils at all levels throughout the School. The financial outcome for the year shows a deficit of £387k (2011: £1k surplus). Net assets total £4,098k (2011: £4,485k) at the year end date and there are net current liabilities of £818k (2011: £497k). Since the year end date, the net current liability total has decreased with the sale of the premises at Nithsdale Road which gave rise to proceeds of £557k.

This rationalisation of the School's property has reduced operating costs and improved our debt profile. The senior management team and board of directors continue to review assets and costs in light of the current School roll.

Reserves policy

The directors are satisfied that unrestricted funds held in liquid funds are sufficient to cover operating expenditure at current levels for the foreseeable future.

Restricted funds comprise income received by the School for use by the directors in pursuance of the stated aims of the relevant funds.

Future Plans

The School has gained planning permission for a possible development at the pavilion near to the sports complex but the Board intends to continue to monitor the School's accommodation requirements before taking any steps to increase the School's property footprint.

The Board is mindful of the school's charitable purpose and continues to monitor the number and value of bursaries available. The number of bursaries has increased in the current year. As a result, a greater number of parents, who would not otherwise have the financial resources to choose independent education for their children, are being given equal access to the School. The Board is aware that it has to achieve that objective while recognising the position of the rest of the parents who pay full fees. Support from the Craigholme Foundation assists with the provision of bursaries and it is intended to run a campaign to encourage former pupils to contribute to bursary funds.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Directors' Report (cont'd)

Directors

The directors of the company, who are also the charity trustees and governors of the school, who served during the year and since the year end date were:

I B Curle* (Chair)
Ms J Boag-Thomson (Vice Chair)
Dr A M Gavin
Mrs N Mobarik*
C J Moore
T O'Hara
Miss E N D Robertson*
G S Brown
A B Dickson

The directors retiring at the Annual General Meeting are Ms J Boag-Thomson, Dr A M Gavin and T O'Hara. These directors, being eligible, have offered themselves for re-election.

* Denotes directors who do not have children at the school. No special fee discounts were granted in respect of children of directors.

Key personnel and advisers

Principal:	Gillian C K Stobo BSc MSc Dip Ed
Secretary and Business Manager:	Shirley Love
Bankers:	The Royal Bank of Scotland plc 10 Gordon Street Glasgow
Solicitors:	HBJ Gately Wareing 146 West Regent Street Glasgow
Auditors:	Scott-Moncrieff 25 Bothwell Street Glasgow

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Directors' Report (cont'd)

Structure, Governance & Management

Governing Document

The school is governed by its Memorandum and Articles of Association, which were amended on 3 August 2009.

Governing Body

The Directors, who are also members of the company, are appointed at full directors' meetings, and are selected to ensure that the expertise available covers all the principal areas of governance of the school. The directors serve for three years, renewable for a further similar term. The Board of Directors includes members with a variety of professional skills in areas such as education, property, finance, IT, health and wellbeing and law as well as general experience in business.

In addition to a committed Board of Directors, the School has an active and supportive Craigholme School Parents' Association. This session saw the setting up of a Parent Forum with representatives from all stages of the School from Nursery to S6. Parents, in general, take a very close interest in their children's education and are valued partners in all that the School does.

Trustee Training

Following appointment, new directors are briefed on the working of the Board and the school by the Principal and Business Manager. Directors also attend seminars organised by the Scottish Council for Independent Schools and the School has a code of conduct for Governors policy.

Organisational Management

The directors meet at least eight times a year to determine the general policy of the school and review its overall management and control, for which they are legally responsible. The implementation of these policies is the responsibility of the various sub-committees of the Board, the Principal and the Business Manager, supported as required by the other members of the Senior Management Team.

Related Party

The Craigholme Foundation's principal objective is the provision of funds and benefits for the school. The Foundation is managed by a separate Board of Trustees. During the year ended 30 June 2012, the Foundation made donations totalling £70,000 (2011: £78,500) to the School. At the year end date, the School is owed £nil (2011: £70,000) by the Foundation.

Risk Management Policy

The Board continued to review risk management procedures during the year, summarised under four categories:

Strategic
Operational
Regulatory
Financial

Procedures have been set in place to manage significant identified risks in all areas whilst a system of continuing review is in place to monitor these procedures.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

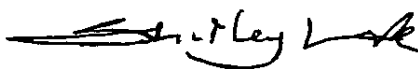
Directors' Report (cont'd)

Disclosure of information to auditors

As far as each of the Directors at the time of the report being approved are aware:

- a) there is no relevant information of which the company's auditors are unaware and
- b) the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

By order of the Board



S Love
Secretary

Date: 5 March 2013

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Charity and company law requires the directors to prepare financial statements for each financial year. Under charity law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Independent Auditors' Report to the Members and Directors

Year ended 30 June 2012

We have audited the financial statements of Craigholme School for the year ended 30 June 2012 which comprise the Statement of Financial Activities and Income and Expenditure Account, the Statement of Historical Cost Profit and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 7), the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Independent Auditors' Report to the Members and Directors

Year ended 30 June 2012

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Scott - Moncrieff

Iain D Lee, Senior Statutory Auditor

For and on behalf of Scott-Moncrieff, Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

25 Bothwell Street

Glasgow

G2 6NL

Date: 5 March 2013

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Statement of Financial Activities and Income and Expenditure Account

For the year ended 30 June 2012

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2012 £'000	Total 2011 £'000
Incoming resources					
Incoming resources from generated funds:					
- Voluntary income	2	70	-	70	78
- Investment income	3	5	-	5	4
		<u>75</u>	<u>-</u>	<u>75</u>	<u>82</u>
Incoming resources from charitable activities	4	3,515	-	3,515	3,693
Total incoming resources		<u>3,590</u>	<u>-</u>	<u>3,590</u>	<u>3,775</u>
Resources expended					
Cost of charitable activities	5	3,826	-	3,826	3,760
Governance costs	6	12	-	12	14
Other	7	139	-	139	-
Total resources expended		<u>3,977</u>	<u>-</u>	<u>3,977</u>	<u>3,774</u>
Net movement in funds		(387)	-	(387)	1
Balance at 1 July 2011		<u>4,476</u>	<u>9</u>	<u>4,485</u>	<u>4,484</u>
Balance at 30 June 2012		<u>4,089</u>	<u>9</u>	<u>4,098</u>	<u>4,485</u>

None of the company's activities were acquired or discontinued during the above two years.

The notes on pages 14 to 22 form part of these accounts

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Statement of Historical Cost Profit and Losses

For the year ended 30 June 2012

	2012 £'000	2011 £'000
Reported (deficit)/surplus on ordinary activities	(387)	1
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	15	15
Historical cost (deficit)/surplus on ordinary activities	(372)	16
Historical cost (deficit)/surplus for the year retained after adjustment on revaluation	(372)	16

The notes on pages 14 to 22 form part of these accounts

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Balance Sheet

As at 30 June 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Tangible fixed assets	10	<u>5,947</u>	<u>6,197</u>
Current assets			
Debtors	11	298	380
Creditors: amounts falling due within one year	12	<u>(1,116)</u>	<u>(877)</u>
Net current liabilities		<u>(818)</u>	<u>(497)</u>
Total assets less current liabilities		5,129	5,700
Creditors: amounts falling due after one year	13	<u>(1,031)</u>	<u>(1,215)</u>
Total net assets		<u><u>4,098</u></u>	<u><u>4,485</u></u>
Funds			
Restricted	14	9	9
Unrestricted			
Designated and general funds	15	<u>4,089</u>	<u>4,476</u>
		<u><u>4,098</u></u>	<u><u>4,485</u></u>

The financial statements were authorised for issue by the Board on 5 March 2013 and signed on its behalf by:

I B Curle
Chairman



Registered charity number: SC014860
Registered company number: SC022095

The notes on pages 14 to 22 form part of these accounts

CRAIGHOLME SCHOOL**FINANCIAL STATEMENTS****Cash Flow Statement****For the year ended 30 June 2012**

	Note	2012 £'000	2011 £'000
Net cash inflow/(outflow) from operating activities	18	68	(244)
Return on investments and servicing of finance	18	(96)	(97)
Capital expenditure and financial investment	18	(27)	(29)
Net cash outflow before financing		(55)	(370)
Financing	18	(132)	(132)
Decrease in cash		(187)	(502)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash		(187)	(502)
Repayment of loan in the year	18	132	132
Movement in net debt		(55)	(370)
Net debt at 1 July 2011		(1,654)	(1,284)
Net debt at 30 June 2012	18	(1,709)	(1,654)

The notes on pages 14 to 22 form part of these accounts

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements

1 Accounting policies

a. Basis of preparation

The accounts are prepared under the historical cost convention, modified by the revaluation of certain assets, and in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective April 2005).

b. Going concern

Although the charitable company has recorded a loss for the year ended 30 June 2012, the balance sheet reflects a satisfactory net assets and cash flow position at the year end date. The rationalisation of the School's property since the year end date has reduced operating costs and improved the debt profile. As a result, the directors are confident that the company has sufficient resources to remain in operational existence for the foreseeable future and so have continued to prepare the accounts on the going concern basis.

c. Incoming resources

All incoming resources are included in the Statement of Financial Activities when the company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and legacies and is included in full in the Statement of Financial Activities when received unless this relates specifically to another accounting period. Legacy income is recognised where there is entitlement, certainty of receipt and where the amount can be measured with sufficient reliability.
- Incoming resources from charitable activities are accounted for when earned and include income generated from school fees and the sports complex levy. Fees are included net of bursaries and concessions. Fee income for future years has been deferred to the appropriate year.
- Investment income is included when receivable and is generated from interest and dividends.

d. Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred and is reported as part of the expenditure to which it relates.

Charitable activities expenditure comprises those costs incurred by the company in the delivery of the activities carried out which meet the objectives of the company. The management and administration costs have been included under this heading.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company.

Other resources expended relates to the impairment of the heritable property at 204 Nithsdale Road.

Operating leases are charged on a straight line basis over the term of the lease.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

1 Accounting policies (cont'd)

e. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Heritable property	- 1% straight line
Leasehold property	) - over the period of the lease
Leasehold improvements	)
Equipment	- 10% - 33% straight line

Assets under construction are not depreciated until brought into use.

f. Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

g. Pension schemes

Pension cost charges represent the contributions payable by the company to the schemes concerned.

	2012 £'000	2011 £'000
2 Voluntary income		
Donations	70	78
3 Investment income		
Interest on short term deposits	5	4
4 Income from charitable activities		
Tuition fees	3,391	3,682
Miscellaneous income	124	11
	3,515	3,693

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

	2012 £'000	2011 £'000
5 Cost of charitable activities		
Teaching costs	2,579	2,696
Welfare	101	76
Premises	469	410
	<u>3,149</u>	<u>3,182</u>
Support costs		
Administration	576	477
Finance	101	101
	<u>3,826</u>	<u>3,760</u>

The cost of professional indemnity insurance is included within support costs.

	2012 £'000	2011 £'000
6 Governance		
Auditors' remuneration – audit fee	9	9
Auditors' remuneration – non audit services	3	5
	<u>12</u>	<u>14</u>

7 Resources expended - other

Other resources expended of £139,000 (2011: £nil) relates to an impairment charge in respect of the heritable property at 204 Nithsdale Road. The charge represents the loss on sale of the property since the year end date and has arisen due to the deterioration in market conditions in recent years.

8 Employees

	Number of Employees	
	2012	2011
The average number of employees in the year was:		
Teaching	68	71
Domestic	12	14
Non-teaching	19	18
	<u>99</u>	<u>103</u>
The full-time equivalents in the year were:		
Teaching	58	61
Domestic	6	6
Non-teaching	14	14
	<u>78</u>	<u>81</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

8	Employees (cont'd)	2012 £'000	2011 £'000
	Staff costs comprise:		
	Wages and salaries	2,411	2,484
	Social security costs	193	194
	Pension contributions	278	281
		<u>2,882</u>	<u>2,959</u>

The directors received no remuneration or reimbursement of expenses during either year.

The number of employees whose emoluments exceeded £60,000 were:

	2012 No.	2011 No.
£60,000 - £70,000	<u>1</u>	<u>1</u>

Pension contributions made in respect of this employee totalled £10,419 (2011: £10,419).

9	Interest payable	2012 £'000	2011 £'000
	Loan interest	<u>101</u>	<u>101</u>

10	Tangible fixed assets	Heritable Property £'000	Leasehold Property £'000	Equipment £'000	Total £'000
	<i>Cost or valuation</i>				
	At 1 July 2011	3,950	2,440	491	6,881
	Additions	-	-	27	27
	Impairment	(139)	-	-	(139)
	At 30 June 2012	<u>3,811</u>	<u>2,440</u>	<u>518</u>	<u>6,769</u>
	<i>Depreciation</i>				
	At 1 July 2011	40	289	355	684
	Charge for the year	39	52	47	138
	At 30 June 2012	<u>79</u>	<u>341</u>	<u>402</u>	<u>822</u>
	<i>Net book amount</i>				
	At 30 June 2012	<u>3,732</u>	<u>2,099</u>	<u>116</u>	<u>5,947</u>
	At 30 June 2011	<u>3,910</u>	<u>2,151</u>	<u>136</u>	<u>6,197</u>

CRAIGHOLME SCHOOL**FINANCIAL STATEMENTS****Year ended 30 June 2012****Notes to the Financial Statements (cont'd)****10 Tangible fixed assets (cont'd)**

The heritable property was valued at 26 July 2010 by Allied Surveyors Scotland, Chartered Surveyors, on the basis of estimated net realisable value for return to residential use. An impairment charge of £139k, which relates to the loss arising on the sale of the property at 204 Nithsdale Road since the year end date, is reflected in the financial statements in the year ended 30 June 2012. The directors consider that the adjusted value of heritable property is reasonable as at 30 June 2012. The leasehold property land is the subject of a 99 year lease, of which 71 remain, from Pollok and Corrour Limited.

The comparable historical cost of the freehold property owned by the School is £2,407,325 (2011: £2,407,325).

11 Debtors and prepayments	2012 £'000	2011 £'000
Fees	260	278
Prepayments and accrued income	37	31
Other debtors	1	71
	<u>298</u>	<u>380</u>
12 Creditors: amounts due within one year	2012 £'000	2011 £'000
Bank loans & overdrafts	678	492
Trade creditors and accruals	90	133
Taxation and social security	60	60
Tuition fees paid in advance	219	110
Other creditors	69	82
	<u>1,116</u>	<u>877</u>

Included within other creditors are pension contributions payable of £37,000 (2011: £34,000), which were paid in July 2012.

Included within creditors due within one year is deferred income for advance tuition fees summarised as follows:

	£'000
Balance at 1 July 2011	163
Received in the year	174
Released in the year	(118)
Balance at 30 June 2012	<u>219</u>

CRAIGHOLME SCHOOL**FINANCIAL STATEMENTS**

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

13	Creditors: amounts falling due after more than one year	2012 £'000	2011 £'000
	Loan from Royal Bank of Scotland plc	1,031	1,162
	Tuition fees paid in advance	-	53
		<u>1,031</u>	<u>1,215</u>
	Amounts are due within the following periods:		
	Between one and two years	131	185
	Between two and five years	395	396
	More than five years	505	634
		<u>1,031</u>	<u>1,215</u>

The loan from the Royal Bank of Scotland, which is secured by a bond and floating charge and standard securities over certain assets of the school, has been utilised solely in the construction of the sports complex. The loan is repayable in equal monthly instalments over 19 years, commencing 29 July 2008.

The school has an arrangement with the Royal Bank of Scotland ending 30 June 2017 to provide interest rate hedging on the loan. The total bank loan balance at the year end date was £1,162,412 (2011: £1,294,150).

14	Restricted Funds	Prize Fund £'000	Ruth Campbell Memorial Fund £'000	Total £'000
	Balance at 1 July 2011 and at 30 June 2012	<u>5</u>	<u>4</u>	<u>9</u>

Prize Fund

The income from this fund is utilised to offset the cost of prizes.

Ruth Campbell Memorial Fund

The income from this fund is utilised to support former pupils undertaking approved projects.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

15	Unrestricted Funds	Development Fund £'000	Accumulated Fund £'000	Total £'000
	Balance at 1 July 2011	394	4,082	4,476
	Income	-	3,590	3,590
	Expenditure	(10)	(3,967)	(3,977)
	Balance at 30 June 2012	<u>384</u>	<u>3,844</u>	<u>4,089</u>

Development Fund

The development fund represents the value of donations received from The Craigholme Foundation (including the related income tax recoveries) less an amount offset against the depreciation charge on those assets funded by the Foundation.

16 Capital commitments

There are no capital commitments contracted for but not provided in these financial statements (2011: £nil).

17 Operating lease commitments

**Other Commitments
2012
£'000**

**2011
£'000**

Due to expire in 2-5 years 8 8

18 Notes to the cash flow statement

**2012
£'000**

**2011
£'000**

(a) Reconciliation of net (outgoing)/incoming resources to net cash inflow/(outflow) from operating activities:

Net (outgoing)/ incoming resources	(387)	1
Depreciation	138	141
Impairment	139	-
Decrease/(increase) in debtors	82	(244)
Decrease in creditors	-	(239)
Interest received	(5)	(4)
Interest paid	101	101
Net cash inflow/(outflow) from operating activities	<u>68</u>	<u>(244)</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

18 Notes to the cash flow statement (cont'd)

	2012 £'000	2011 £'000
(b) Analysis of cash flows for headings netted in cash flow statement:		
<i>Returns on investments and servicing of finance</i>		
Interest received	5	4
Interest paid	(101)	(101)
	<u>(96)</u>	<u>(97)</u>
<i>Capital expenditure</i>		
Purchase of fixed assets	<u>(27)</u>	<u>(29)</u>
<i>Financing</i>		
Loan repayments	<u>(132)</u>	<u>(132)</u>

(c) Analysis of debt	At 1 July 2011 £'000	Cash Flow £'000	At 30 June 2012 £'000
Bank overdraft	(360)	(187)	(547)
Debt due within one year	(132)	1	(131)
Debt due after one year	(1,162)	131	(1,031)
	<u>(1,654)</u>	<u>(55)</u>	<u>(1,709)</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2012

Notes to the Financial Statements (cont'd)

19 Pensions

All members of the academic staff are covered by the Scottish Teachers' Superannuation Scheme (STSS) to which the School contributes, unless they opt otherwise. Other staff of the School are covered by the Local Government Superannuation Scheme (LGSS) through Strathclyde Pension Fund. Again, the School contributes as the employer.

STSS

This scheme is a defined benefit scheme, which provides benefits based on final pensionable salary. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence the School's contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost of £270,000 (2011: £273,000) recognised within the (deficit)/surplus for the year in the Statement of Financial Activities is equal to the contributions paid to the scheme for the year. The pension costs are assessed using the projected unit method. Contribution rates during the year were:

	Employer	Employee
1 July 2011 to 31 March 2012	14.9%	6.4%
1 April 2012 to 30 June 2012	14.9%	6.4% - 8.8%

LGSS

This scheme is a defined benefit scheme, which provides benefits based on final pensionable salary. Whilst it is possible to identify each institution's share of the underlying assets and liabilities of the scheme, the small numbers of participating staff means the figures involved are immaterial and the directors have therefore decided not to incorporate the asset in the balance sheet at 30 June 2012, nor to provide the disclosure required under FRS 17. An actuarial valuation for the purposes of FRS17 was carried out at 31 March 2011 by a qualified independent actuary, identifying a net pension liability at that date of £90,000. Employer's contributions to the scheme during the year amounted to £10,572 (2011: £8,000).

20 Analysis of net assets between funds

	Restricted Funds £'000	Unrestricted Funds £'000	Total 2012 £'000	Total 2011 £'000
Fixed assets	-	5,947	5,947	6,197
Current assets	-	298	298	380
Creditors due within 1 year	9	(1,125)	(1,116)	(877)
Creditors due in more than 1 year	-	(1,031)	(1,031)	(1,215)
	<u>9</u>	<u>4,089</u>	<u>4,098</u>	<u>4,485</u>

21 Post balance sheet event

On 3 September 2012, the property at 204 Nithsdale Road was sold for proceeds of £557,000. The loss arising from this sale is reflected in the financial statements.